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HONEST MONEY AND LABOR

AN ADDRESS DELIVERED IN BOSTON,
OCTOBER 23, 1878

BY THE

HON. CARL SCHURZ
SECRETARY OF THE INTERIOR

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HONEST MONEY AND LABOR.

BY THE HON. CARL SCHURZ.

In responding to the invitation of citizens of Massachusetts, to address them on questions touching our national finances, I cannot repress a feeling that, in some respects, such a thing ought to be superfluous. An effort to prove by argument that the maintenance of our national credit, by a conscientious discharge of our national obligations, is demanded by every consideration of honor as well as interest, and that a money of intrinsic and stable value is preferable to an irredeemable paper money whose value is the football of political agitation, and changes from day to day,—such an effort should be as little necessary as it would be to explain to a virtuous man the merits of the ten commandments, or to demonstrate to an intelligent man the veracity of the multiplication table. The confusion of ideas with regard to these subjects which prevails here and there, and which at present renders such argument necessary, is undoubtedly owing to the fact that for some years the times have been hard, and that, under the sharp pressure of embarrassment or distress, the minds of many well-disposed men are eagerly seeking for means of instant relief, and are thus misled by glittering schemes, which excite their imagination, but

which, in a healthy state of society, they would at once reject as unreasonable and dangerous ; just as persons afflicted with a painful disease are sometimes apt to grow impatient at a rational and systematic cure, and then resort to any kind of quackery which pretends to perform miracles. With errors of that class we have to deal.

To say anything really new on the financial subject at this late stage of the debate is well-nigh impossible. The truth as such is old and always the same, and all we can do is to clear away the fog with which it has been obscured. Some time ago, at Cincinnati, I discussed the general subject of the financial question as it at present stands before the people. Tonight I shall address myself more particularly to the bearing it has upon the interests of the working-men, and in doing so, it will be more my endeavor to be truthful and clear than to be brilliant and entertaining. I shall not attempt an elaborate disquisition on the relations of capital and labor further than to show that, with regard to what in a general term may be called the "money question," their interests are the same ; that a money system which inspires confidence to capital, and thus encourages it to embark in legitimate business enterprise, will at the same time give fruitful employment to labor ; and that, on the other hand, a money system which impairs the security of the capital will, at the same time, injure the value of the earnings of labor, and *vice versa* ; with this qualification, however, that from the effects of an unsound currency the laborer is liable to suffer even more than the capitalist, inasmuch as the capitalist, the man of means generally, is always more or less able to protect his interests by the correct calcula-

tion of chances, while the laboring man is the victim of circumstances and necessities which he has not the power to control.

The present situation is easily defined. There is no longer any question as to whether we shall undertake the necessary preparations for the resumption of specie payments, and whether those preparations may or may not be temporarily painful and injurious to individual interests. Those preparations in the main are completed ; the painful things that may have been connected with them, lie behind us. It is the future we have to face, not the past. I will not discuss here what legislation may still be desirable ; suffice it that the main thing is done. The government is able to resume specie payments on the 1st of January next, as the law provides. This is our situation.

The question now to be decided is this : Having, after a long period of stagnation and distress, at last reached a point where we can reëstablish a money system based upon the precious metals, will it be best for our general interest to run away from it again, and to return to the old uncertainty ; and how will our decision in this respect, one way or the other, affect particularly the well-being of the workingmen of the United States ? As to the latter point, there are two things which every sensible workingman will naturally keep in view : First, he must desire that a line of policy be adopted best calculated, under existing circumstances, to give him steady and remunerative employment. Secondly, he will prefer that money system under which his wages are paid to him in a kind of currency upon whose value he can depend, a currency which will not cheat him.

CONSEQUENCES OF RESUMPTION.

As to the first point,—the prospect of employment,—the probable, I might say the certain, consequences of the resumption of specie payments are easily stated. In fact, they are already casting their shadows before. When our paper money is redeemable in coin, the fluctuations which, since 1863, have made its value so uncertain from day to day, will cease. The value of property is no longer to be brought to the gold basis, for it has been there for some time. The value of the money we handle is to be stable and reliable. The merchant, the manufacturer, the contractor, are to be able to depend again upon the value of the money they invest in the goods they sell, and upon that assurance they can base safe business calculations. The capitalist will be relieved of the fear that when he ventures out with his funds, by loans or other investments, his money may depreciate while it is out, and then he will venture out more freely. The laboring man is to be certain again that the dollars he receives as wages will be as good months and years hence as they are to-day, and that his savings will not, in the course of time, dwindle down in value. And with this prospect of a certainty in view, which we have so long been deprived of, confidence is visibly reviving again, and all over the land the pulsations of business life have become quicker, more energetic and more hopeful. With this prospect of a certainty, the business of the country begins to feel once more firm ground under its feet. Every candid observer admits this to be so.

PLANS OF THE GREENBACKERS.

It is under such circumstances that the paper-money agitators approach us with their plans. What are those plans? The resumption of specie payments is to be prevented at any cost. The greenback dollar is not to be redeemable in coin. The issues of government paper money are to be increased by a variety of contrivances. The national bank currency is to be withdrawn and a paper money to be put in its stead, for which the government is directly responsible. With this measure resumption will be impossible for an indefinite time. Further issues of government paper money are to be made, so as to "make money plenty," as they call it. Some propose that this new paper money be without a government promise to redeem it in coin, so-called "fiat money," resting upon nothing but the power of the government to force it into circulation. Others merely propose to increase the quantity of greenbacks, with a promise of the government to redeem, and that promise to remain unfulfilled and dishonored to an indefinite time in the future, which is practically the same thing as no promise at all. When you ask them how paper money is to maintain any stability of value, some will tell you that the laws will regulate that point, which is simply absurd. But others are more candid, and admit plainly that they care nothing about that stability of value; that, in fact, they want that paper money to depreciate. This is part of their plan, and I call your especial attention to it. Mark what I say. It is just *because* they desire the currency to depreciate that they want to prevent the resumption of specie payments, and to perpetuate irredeemable

paper money. Why do I feel warranted in making this statement so positively? Because all their promises and predictions run to this one point,—that they mean to have an “abundance of money” and high prices, which means nothing more nor less than an inflation of prices through the depreciation of an inflated paper money. This is at the bottom of all their schemes, however plausible. If they did not mean this, they would, I have no doubt, just as readily accept specie payments, whatever they may say. When a man tells you that he wants a glass of whiskey to make him jolly, you may depend upon it that he drinks whiskey simply *because* it intoxicates. If he wanted nothing but to quench his thirst, he would just as readily take up with water.

By the expansion of the currency, then, they mean to bring about its depreciation; this depreciation of the currency is to result in high prices; high prices are to stimulate a revival of business, and thus we are to have a return of general prosperity. This is a fair statement of their scheme in its most attractive form. Now, is such a policy more likely to give to the working-man steady and remunerative employment than the resumption of specie payments, the prospective consequences of which I have already sketched? Let us see.

RESULTS OF INFLATION.

That an expansion of our irredeemable paper currency will stimulate business and revive prosperity is, I have no doubt, sincerely believed by many well-meaning people. They reason thus: “When the first greenbacks were issued during the war,

and those issues were rapidly increased, the prices of commodities generally rose. What was worth \$1 on the first of January was worth \$1.10 on the first of March ; \$1.20 on the first of July ; \$1.30 on the first of October, and so on. Thus people made money rapidly on the goods they had ; business went on at a tremendous rate ; the facility with which money was made inspired general confidence ; enterprise was wonderfully stimulated, and general prosperity was the result. What we had then we may have again, and the same means.” That is their calculation now.

I might, without difficulty, show that, while the prices of commodities did indeed rise under the influence of expanded issues of paper money, and business enterprise was thus stimulated, our prosperity was more imaginary than real ; that gambling speculation overshadowed legitimate business ; that vast amounts of capital were wasted in adventurous undertakings ; that ruinous extravagance followed ; that we ran recklessly in debt ; and that, when finally the day of reckoning came, our fictitious prosperity broke down in widespread bankruptcy, stagnation and distress. All this is as true as any fact of history, and wise men will consider the agency which the inflation of our paper currency had in bringing about such disastrous results. But I will not go into that line of argument now, and moreover, some of the more reckless of our paper money advocates may say : “ Well, even if such a day of reckoning must come, let us at least have a good time for a few years, and then let the devil take the hindmost.”

What I want to point out to you is—and I invite you to consider what I say with candor and calmness—that it is at least

extremely doubtful whether, situated as we now are, an expansion of our irredeemable paper currency would have the effect of stimulating business, and produce even a fictitious prosperity for a short period. In fact, I am convinced that such would not be the result. You must not forget that the circumstances under which new emissions of paper currency would *now* be issued are essentially different from those under which the greenback first made its appearance. Our paper currency was then the creature of a great public necessity, It was an expedient resorted to by struggling patriotism, and while, during the dark hours of the war, some doubt may have arisen as to the prospective ability of the government to redeem all its pledges, there was not a moment's doubt as to the honest intention of the government and of the people to do so. Nobody suspected—indeed, nobody saw the least reason to suspect, that the government would go with its paper issues beyond the demands of actual necessity, and attempt the carrying out of new fangled financial theories and schemes. As to the good faith of the government in this respect, there prevailed the completest confidence at home as well as abroad. Moreover, an irredeemable government paper currency was then a comparatively new thing in this country. The experience of the war of independence, with its Continental money, was no longer present to the minds of the people. But few of them saw any similiarity between the Continental money and the greenback, and apprehended that the two things might meet the same fate. When the expansion of the greenback currency produced an inflation of prices, the average business man, seeing his goods rise in nominal value, did not stop to inquire, elated as he was at his apparent gains,

whether those gains were real as well as nominal. He had no experience of the consequences, and so he went on from venture to venture with blind confidence, as if there could be no end to it. The capitalist, also, with no experience of the final effects of such government currency expansion to warn him, risked his means in enterprise after enterprise without distrust. There was an unreasoning confidence that finally it would all come out right. And thus business was stimulated into extraordinary speculative activity.

THEN AND NOW.

But the circumstances which surround us to-day are very different. If new emissions of government paper could be constitutionally made now in time of peace, which I do not believe, those emissions would not appear as the creature of a commanding public necessity. It would be remembered that now we can have a money system based upon the precious metals if we desire, for it is within our reach. The expansion and perpetuation of irredeemable paper money would eventually be equivalent to the rejection of that money system based upon the precious metals. What specie payments mean, what a gold dollar and notes convertible into gold dollars are, every sensible man understands. The gold dollar is real, tangible, and forms a reliable basis for calculation. But the abandonment of specie payments, the rejection of the gold dollar, mean that the conduct of our financial affairs is to be delivered into the hands of a class of financiers whose theories and schemes move in the realm of imagination, and point, not to stability, but

to the uncertainty of change as their real object and inevitable consequence. There all safety of business calculation is at an end. What, then, will be the result of the adoption of such a policy? Will it now inspire the capitalist with the confidence necessary to induce him to venture his means in business enterprises? Will it enable the business man to plan his operations with any degree of reasonable assurance? It will certainly not. The experience they have gathered during the disastrous crisis through which we have just passed will inevitably rise up before their minds. They will remember that the artificial stimulus given to business by the expansion of an irredeemable paper money produced, indeed, fictions of wealth and prosperity, but ended in disaster, embarrassment and ruin. They will not give themselves up again to those illusions of success, which, when the first greenback expansion took place, they embraced with inexperienced confidence. A burnt child shuns the fire. But more than that. The wanton rejection of a sound-money system, based upon the precious metals, and the adoption of wild schemes of irredeemable paper money as a permanent system, without any imperative public necessity, is so enormous a thing, so utterly unprecedented in the history of nations, so unintelligible and startling to the common sense of mankind, that it will be apt to shake the confidence of the world even in the integrity of our government and in the intelligence and good faith of our people. The spectre of repudiation will appear behind so reckless a financial policy, and the credit of the government and the people may be shaken to its very foundations.

AFTER REPUDIATION, WHAT?

What then? Anything that impairs the credit of the government, anything calculated to create the impression that the American people cannot be depended upon faithfully to discharge their pledges and obligations, will, at the same time, affect the credit of our States, our municipalities, our business corporations, aye, of individual citizens. It will, then, not be surprising, indeed, to have the bonds of our states and municipalities, of railroad and other companies, flung in enormous quantities on the market; and although, owing to favorable conjunctures of trade, we have been able to absorb large amounts of our national bonds returning from abroad, without trouble, yet a shock to the credit of the American people may bring upon us masses of our indebtedness in a variety of forms, so unmanageable as to produce another panic still more destructive, and a paralysis more deadly than any we have suffered. No prudent man will question this possibility, for credit is a sensitive thing, and the timidity of capital, frightened by threatening dishonesty, and once impressed with the idea that a people, capable of running away from specie payments now, will thereafter be capable of any folly, may resort to any extreme promptly to save as much as possible of the investments felt to be in jeopardy. And what will be the effect of all this? Can there be anybody so crazy as to believe that this is the way to restore and foster that confidence which is so indispensable to the revival of business? Is it thus that capital can be called from its retirement to trust itself to the chances of enterprise? Is it thus that credit can be stimulated,

to set in quicker motion again the wheels of our business machinery? Is it thus that you expect to open your factories, again inviting the laboring masses, so long out of employment? I appeal to you, my fellow citizens, of whatever occupation or walk of life, consider the outlook a moment with that unprejudiced calmness which befits sensible men.

There is not one of you who, after calm consideration, will fail to join me in the conclusion that a policy so adventurous and wild, now adopted, can scarcely fail to create new alarm and distrust,—distrust general and deep, and that this distrust will fall upon that business activity which, with the prospect of specie payments before us, is now hopefully reviving, like a blight more deadly than ever, confusing the minds and paralyzing the courage of honest men upon the exercise of whose energies the prosperity of the country depends, and opening a field of action only to the reckless speculators and gamblers who like to fish in troubled waters, and whose consciences do not shrink from building up ill-gotten fortunes upon the ruin of general good. Is that the lively business you desire?

DEBTOR AND CREDITOR.

Another cry which is artfully used by the advocates of a new inflation of irredeemable paper money is, that it will benefit the debtor. I will not stop to discuss the morality of such a proposition; but let us look at its practical effects. It is thought that, when in consequence of the expansion of our paper money, the currency depreciates, and you can receive larger nominal amounts of money for the things which you may have

to sell, you will with the depreciated legal tenders so obtained pay off your debts with greater ease and facility, and so get rid of them. Now it will be well for you to remember that, during the period of currency expansion which preceded the crash of 1873, for every dollar of debt that was paid off several dollars of debt were contracted. In fact, it was not a debt-paying, but it was emphatically a debt-making period, marked with an extraordinary degree of recklessness. And this was natural, for, when business is carried on under the influence of an artificial stimulus, when by an inflation of prices fictitious values are created, and enterprise runs to a great extent into speculation, the hopes of men are unreasonably excited, and all sorts of ventures are entered into on credit. Moreover, reckless extravagance in private expenditure is stimulated by the ease with which fictitious gains appear to be realized. This is a matter of historical experience. If, therefore, another period of currency expansion really did result, as the greenbackers desire, in the same excited state of business enterprise and the same illusions of wealth easily gained, it would not induce you to get rid, by prudent management, of the debts you have, but it would rather betray you into the making of new debts on top of the old ones, and, when the day of reckoning comes, you would be worse off than before ; or do you mean to bury the good name and prospective fortunes of the country under the disgrace and ruin of universal repudiation ? I shall be slow to believe that there are, among those whom these words may reach, many so utterly destitute of honor and good sense as to contemplate such an idea without repugnance and indignation.

But if a new inflation of our paper money is undertaken, under present circumstances, it will be apt to affect the debtor in a different way ; and debtors would do well to stop and consider that the freaks which an irredeemable paper currency, in process of inflation, always plays with the value of money, are by this time well understood in this country, especially with those who have money due them, the creditors. They have gathered some pertinent experiences. They know that when such paper money increases in volume it will decrease in value, and that in a period of inflation the money due them will grow less in value the longer it is out. The creditor, when reasonably sure of his capital and interest, is apt to deal leniently with his debtor, and to accommodate him as much as possible. In most cases it will be his interest to do so. But when he knows that the legal tender in which the debt is due him, and is to be paid, will shrink more and more in value from day to day, and especially when he is alarmed by the adoption of wild schemes of financial policy, what will he do then ? He will resort to every means in his power to get hold of his money as quickly as possible, so as to put it into such investments as will secure him against that loss which is threatened by currency depreciation. Now, suppose the greenback policy, or the fiat-money scheme, which is to relieve all those that are heavily laden, be fairly inaugurated, will not the creditor at once know what it means ? Will he not clearly foresee that, if the plans of the paper-money apostles be carried out, the country will be flooded with paper legal-tenders ; that those legal tenders will inevitably grow less in value with every day the debt due him remains unpaid, and that, if he wants to save his principal and

interest, he must do it quickly? And what then? Then you will see the creditor in his most pitiless and inexorable state of mind. He will put on every screw of the law to squeeze his money without delay out of the debtor. Then no more accommodations; no more leniency; no more extension of notes; no more renewal of mortgages. The creditor will swiftly clutch every particle of security he can lay his hands on, and foreclosures of mortgages and forced sales will be the order of the day. What a glorious harvest for marshals, sheriffs and constables!

BUT WHAT WILL BECOME OF THE DEBTORS?

There will be a lively chorus of groaning and railing among them, for the miraculous paper money, which was to relieve them of their burdens, will, instead, relieve them of their property, and not in all cases at the same time of their debts. The paper money apostles promise to make business lively. Aye, my friends, if you are in debt, they will indeed make it lively for you. And then, in the bitterness of your distress, it will dawn upon you that it would have been infinitely better had you, instead of listening to the song of sly trickery, depended upon your own honest efforts for relief from your indebtedness, and set your faces resolutely against a deceiving money system, calculated to impair the necessary confidence between debtor and creditor, and, by a most natural alarm, inducing the latter to save himself through the severest process against the former. And thus careful and candid consideration will convince you that a new inflation of our paper currency, instead of relieving the debtor, is more likely to subject him to the most pressing and ruinous embarrassments, and entirely destroy that confi-

dence which is the first requisite of sound and fruitful credit relations in the business community.

This, then, is the way in which our paper agitators expect to make business lively, and to give general prosperity a new start—revive businesss, restore prosperity, by bringing about a condition of things in which everything will be in a cloud of uncertainty and distrust; in which confidence and credit will be shaken to their very foundation by the existence of a money system which, with the experiences before our eyes, will in every business transaction make everybody afraid of everybody else. And under such circumstances, with such fears hanging over the business world, do you, working-men, expect capital, proverbially timid, to venture into the chances of enterprise and to set all our industrial energies in motion again? Is it thus you think that work can be furnished to the unemployed? Do you not know, as every sensible man knows, that confidence is the first thing necessary to call the industrial forces into action, and that these wild schemes cannot but be the death of hope and trust? And such a policy you could be foolish enough to prefer to the resumptiōn of specie payments, the mere prospect of which has already quickened the revival of confidence to a degree which everybody sees whose eyes are open? Surely, of all people in the world; you, whose daily life depends upon a fruitful activity of our social forces, you ought, as intelligent men, to be the very last to countenance those wild teachings, whose threatening influence seems now the only thing to counteract that revival, the hopeful symptoms of which are, with a sigh of relief, greeted all over the land.

THE POSITION OF THE WORKINGMAN.

The second thing the working-man must desire is that the fruit of his labor be realized, that his wages be paid him in a kind of money on the value of which he can depend—a money that will not cheat him ; and I shall endeavor to show that a gold dollar, or a paper dollar convertible into gold, is, and that, even under the most favorable circumstances, an irredeemable paper currency, such as advocated by the greenback or fiat dollar apostles, is not that kind of money.

When we hear our greenback or fiat-money apostle talk about the great things their schemes are to accomplish, we might almost receive the impression that a new issue of paper currency meant this : That some government officials would go round the country with big bags of money, putting some of it into everybody's pocket. Intelligent men need scarcely be told that this is not the way it would work. Under no circumstances would anybody receive money from the government as a gift. The merchant will have to sell merchandise for it ; the farmer will have to raise crops and stock for it ; the manufacturer will have to produce goods for it ; the laboring man will have to work for it and earn it as wages. For a dollar in greenbacks or in fiat money, as long as it is worth anything, he will have to work just as hard as for a dollar in gold. To-day the greenback dollar or a national bank note he receives in the shape of wages is, in point of value of purchasing power, as good as a dollar in gold. It will buy as much of food or clothes or shoes or other necessaries or comforts of life as a gold dollar will buy. Why is this so ? Because the greenback dollar, although not yet

convertible into coin at the will of the holder, is generally expected to reach that state of convertibility in about two months, according to the resumption law, which law the government is prepared to execute. And, if that law is not interfered with, and specie payments go into operation and are maintained, the greenback and the national bank note will remain as good as coin in value and purchasing power, and the laboring man may accept either with equal confidence. He may rest assured that in neither case he will be cheated as to the value of money offered to him as wages. But now suppose the schemes of the paper-money apostles prevail, the resumption act is repealed, and resumption in the future made impossible by other contrivances ; what will follow ? According to programme, larger quantities of irredeemable paper money are issued, for the professed purpose of making money plenty, as they call it, and of stimulating business by raising prices. Then, of course, the paper dollar will no longer be the equal in purchasing power of the gold dollar. As more and more paper money is issued, the premium on gold will rise higher and higher, and the paper dollar will grow less and less in purchasing power. And it is only the paper dollar which you working-men will receive as wages, for gold will, of course, keep out of circulation, and paper money will practically be the only legal tender. "But what of that?" say the paper money apostles. "Is it not well that prices should rise? That is the way to make business lively." Let us see, working-men, how it will make business lively for him who labors for wages.

WAGES AND PRICES.

When the price of an article rises, that rise will for the time

bring benefit only to the man who has that article to sell. When real estate rises in price, the benefit accrues to the man who has lands and lots or houses to sell or to let. When provisions or clothing or boots and shoes rise in price, the benefit accrues in the first place to those who have stocks of provisions or clothing or boots and shoes on hand for sale ; and so on through the whole list. But what have you to sell, working-men ? You are no land-owners ; you have no lots or houses for sale ; you have no stocks of provisions or of clothing or of boots and shoes to put on the market. If, therefore, the rise in the price of those things benefits anybody, it is not you. In fact, you have nothing in the world to sell except your labor from day to day. Everything else you and your families need, or that would contribute to your comfort, you must buy. You must live in houses, and your tenements you have to rent of the house-owners. You and your families must wear clothes and be provided with hats and shoes, and those necessaries you have to buy of the dealers in those articles. And when those things rise in price you will have to pay that increased price from day to day, for you and your families cannot remain without shelter and without the necessities of life. And it is evident that the higher cost of those things is not only no benefit to you, but takes so much more of the money you earn out of your pockets. When the same article which formerly cost \$1 costs \$2, then the same amount of wages for which you formerly could buy a full supply of those things will be sufficient to buy only half a supply, and you will have to go without the other half. This, I think, is clear.

“ But,” say the paper-money agitators, “ never mind that ;

when other prices rise in consequence of the depreciation of the currency, wages will rise also, and you will still be the better off for it." Let us see. In order to make you better off it would be necessary that wages should rise in a greater ratio than the prices of the things you have to buy. For when prices rise, so that things formerly costing \$1 now cost \$2, and you receive in wages only \$2 where you formerly received \$1, your \$2 will not buy a particle more of commodities than \$1 bought before, and you profit nothing. To benefit you, wages must, therefore, rise at a *higher* rate than the prices of other things. But has anybody ever told you that wages in any country, at any time, under the influence of currency inflation, have risen quicker and higher in proportion than general prices? If any man ever told you that set him down as a man too ignorant to be listened to or too unscrupulous to be trusted. What is the truth? Let us seek for it by the light of experience. That experience teaches us that wages, under such circumstances, do not only not rise higher in proportion than general prices, nor as high, but that the wages of labor are among the things which, under the influence of currency depreciation, rise last and rise least. I might pile fact upon fact to show that such has been, in every instance whenever a country was cursed with an irredeemable paper currency, the relation of wages to the cost of living. Such are the unvarying teachings of history.

THE ADVANTAGE WITH THE RICH.

The same causes will always bring forth the same effects, and both cause and effect are natural. A rich man, a man of

abundant means, can, in buying and selling, take advantage of the present and prospective opportunities offered by the fluctuations of the market. When a rise in prices is in prospect he can, anticipating that rise, hold on to the things he has to sell by marking up their prices ; he can purchase large quantities of the things that are likely to become dearer, before they go up, and thus make profit on them. When he sees reason to expect a fall in prices he may sell the things he has for sale as rapidly as possible, and abstain from making purchases, so as measurably to secure himself against loss, and then buy again when things have become cheap. With him this is a matter, not of necessity, but of calculation ; and as he is in a position giving him the means to inform himself, it depends only upon his sagacity whether he makes his calculations correctly. If he is shrewd enough to make those calculations correctly, he may derive profit from both rise as well as fall in prices. He has the means to do so. But a poor man, especially a man who depends for his living upon his wages earned from day to day, does not enjoy that advantage. He cannot, in anticipation of a rise of prices, hold on to that which he has to sell, or at his own sweet will mark up prices, for the only thing he has to sell is his labor, and that labor he must sell from day to day at whatever it will bring in the market, or he and his family will starve. Neither can he, when the things he has to buy, the necessities of life, are likely to become dearer, purchase a large stock in advance, for he has not the means to do so. Nor can he, when a fall of prices or of wages is in prospect, sell that which he has to sell in quantities to secure himself against loss ; for the only thing he has to sell, his labor, can be

sold only from day to day ; nor can he wait with his purchases until things become cheaper, for the things he has to buy are the necessities of life, and he must have them from day to day as he and his family need them. With him, therefore, all this is not a matter of calculation, where his profit or loss will depend upon his foresight and sagacity. But he is the victim of his daily necessities, being obliged to sell and to buy, even under the most unfavorable circumstances. Thus he obviously labors under a very great disadvantage, which disadvantage is here and there somewhat lessened by coöperation, but so far only to a small extent.

This disadvantage is rendered more oppressive by the fluctuations occasioned by an irredeemable paper currency. These fluctuations are frequently very rapid and very great, but they are not regular and steady in one direction, for soon the element of speculation and gambling enters into them, subjecting the quotations of the current money to fitful ups and downs. Now see how it will work. As soon as the paper money policy is fairly inaugurated and new emissions are made to make money plenty, the premium on gold goes up and the paper dollar loses part of its purchasing power. This is inevitable. Then the merchant marks up his goods. In fact he is obliged to do so, for he knows that the money he will receive for them will not buy again as large a quantity of them as it did before. He is not over-anxious to sell, for he knows that, if the depreciation of the paper money continues progressively, the goods will rise in nominal value on his hands, and, inasmuch as the value of current money is subject to the influence of depreciation, the merchant will sometimes be apt to mark up the prices

of his goods even a little ahead of the actual depreciation of the currency, to cover his own gambling risk. The first effect, you feel is that when you go to the dealer to buy what you need, you have to pay a higher price for it, say at first from 5 to 10 per cent. To this the workingman has to submit, for he cannot help himself. He receives his wages, as a matter of course, in the depreciated currency, and for the time being only the old amount. That old nominal amount will buy of the things he wants, from 5 to 10 per cent. less.

EMPLOYER AND EMPLOYED.

But while he loses that percentage, the employer does not come to offer him an increase of 5 to 10 per cent. on the amount of his wages. At first the laboring man submits quietly, but while he submits his loss accumulates. But presently, as paper money is made "more plenty,"—only the laboring man does not get any more of it—the premium on gold goes up and up, the paper money depreciates further, and the prices of the things you buy rise still higher, say 25 to 30 per cent. above the old standard. The matter becomes more serious. The disproportion between your wages and the cost of living begins to pinch and trouble you. You have put up with the loss so far, but can do so no longer. The employer not coming to you with an offer of increase of wages, you go to him with a demand. What is the answer? "It is true," says the employer, "the cost of living has gone up. But the prices of the things I have to buy, of raw material for instance, have gone up too. Moreover, things are very uncertain, and, as to the prices of what I manufacture and have to sell, I cannot

tell whether there will not be a fall by the time I get my goods into market. I will do the best I can for you, but you must wait until things get more settled." And what he says about uncertainty is not without foundation. Besides, he will be able to get other men to take your places if you refuse to work on the old terms. So you wait; but every day you wait your loss accumulates. You have to sell your labor, and you have to buy your necessaries; you sell the former at the price that is offered; you buy the latter at the price that is asked.

Meanwhile, paper money has been made still more plenty—while still you do not get more of it—and prices have risen still higher. The disproportion between your wages and the cost of living has become so great that at last the employer must agree to pay you more. But will your wages be raised to the full amount of the rise of prices?—Never,—and why not? Because the employer will plead again the same uncertainty as to prices at which the products of your labor can be sold when they reach the market. He will have the same ability to get other men in your places, if you quit work, and thus the disproportion between your wages and the cost of living continues, and with it the loss you suffer. Let nobody say that what I tell you is mere theory. In the history of your own State you find the proof of my assertion. From the statistics compiled by your labor bureau, corresponding with those of the United States census, it appears that the cost of living had risen 61 per cent. between 1860 and 1872, while the average increase of wages was only 30 per cent. This shows that the wages of labor did not only not rise in proportion to the increased cost of the things the working man had to buy,

but did not even rise one-half as much. To the amount of that difference you were cheated by that very paper money which is now held up to you as the means of making you all comfortable and happy. Do you want to repeat the experience? When a man cheats me once I have a right to call him a knave. When I permit him to cheat me twice he has a right to call me a fool. Which horn of the alternative do you prefer?

But this is not the last chapter of the story. All periods of paper money inflation have ended in one way, and they always will. After the speculation and gambling, the recklessness and improvidence which paper money inflation stimulates, comes the inevitable collapse. Business breaks down. The fever is followed by paralysis, and who are the sufferers? Rich men may, in the great break-down, lose their fortunes. Not a few of them do. But only those of them do who have miscalculated their chances. Those who used their opportunities with sagacity have found a way to escape, for they had the knowledge and the means to save themselves. The shrewdest and the most unscrupulous of them have even found a way to get richer. But what of you, working-men? Even before the cost of living comes down, while you are still compelled to pay exorbitant prices for your necessities, you are some day informed by your employer, who sniffs the coming storm from afar, if he is a prudent man, that the market threatens to be weak, and that work must be reduced or stopped altogether. Now the crash comes. If you are fortunate enough not to be thrown out of employment, you will have to be contented with lower wages. You feel like grumb-

ling, but your grumbling is of no avail. Those who in the great break-down earn anything, however little it may be, are the least unfortunate. At last, after all this has happened, the cost of living comes slowly down. And then you become aware that as the wages of labor were among the things which under the influence of an irredeemable paper money rise last and least, so they are among the things which, when the inevitable crash comes, fall first and most. Your candle has been burning at both ends. You went through that experience in 1873, and you know how hard it was. I repeat my question, Have you any desire to go through the same experience again ?

THE SAVINGS OF THE LABORING CLASSES.

But even this is not the end of the story. The honest workingman does not want to live merely from hand to mouth. He desires to lay up something for a rainy day. He has a praiseworthy ambition to improve his condition, to achieve an honorable independence, to educate his children and to start them well in the race of life. In other words, he wants to save. And to the honor of the workingmen of America be it said, not a few of them have risen in the scale of society to fortune and distinction by strenuous and successful effort, and a great many of them have, even during the trying times through which we have passed, not only made the two ends meet, but have laid up savings which in the aggregate amount to hundreds of millions. Those savings are the fruit of hard, honest toil and wise economy. That such savings should be secure in their value is not only the interest of the workingmen themselves, but it is the interest and also the duty of society in general. It is your own inter-

est, workingmen, to keep the value of your savings intact, for only thus can you hope to enjoy the accumulated fruit of your labor. It is the interest and duty of society, for it is the first encouragement of the industry, thrift and virtue of its numerous and most productive classes. To impair or destroy the value of the savings of the laboring millions is one of the greatest and most dangerous crimes society can commit against itself. How does the inflation of irredeemable paper money affect those savings? Nothing can be more simple.

Most of those savings are deposited in savings banks or similar institutions, to be drawn out again when depositors may need them. It is a deplorable fact that some of those institutions have not proved as safe in their management as they ought to have been, and, by their failure, grievous losses have been suffered by many trusting individuals. But the losses so suffered are, in the aggregate, nothing compared with those inflicted upon the owners of those savings in general by the depreciation of an irredeemable currency. The amount of deposits made by the laboring men and people of small means in savings banks and similar institutions throughout the country amount altogether to about \$1,000,000,000. In this State there are over \$200,000,000. Now, when some savings bank fails, and depositors lose a million or two, a cry of distress and indignation rises up at so great a calamity. If the failure has been brought about by reckless or dishonest management, the managers are loaded with the curses of the community, and justly so. And yet the loss is only a million or two. "*Only a million or two?*" you will say; "*is only a million or two nothing?*" A million or two may appear to you a considerable thing. But I will show to you that such a loss is

comparatively nothing. Suppose your greenbackers, your fiat-money apostles, get into power to carry out their schemes, and a loss of only a million or two will appear to you as a trifle scarcely worth speaking of. When they begin to "make money plenty," and, in consequence of currency inflation, it depreciates only five per cent. which is comparatively little, the loss of those who own the \$1,000,000,000 of deposited savings will be how much? Not only a million or two, it will be \$50,000,000 at one blow. When the currency depreciates ten per cent. the loss will be \$100,000,000, and when money is made still more plenty, and the currency depreciates twenty per cent. your loss in the value of your savings will be \$200,000,000, and so on. How is this? By the mere expansion of paper money the amount of your savings in dollars is not increased one cent. But by the depreciation of the paper money following that expansion, the purchasing power of your savings is *decreased* to the amount of that depreciation. It is as plain as daylight. And do not your greenbackers and fiat-money doctors tell you that irredeemable paper money *must* be made plenty, to raise prices and to make business lively? Thus the depreciation of the currency is not a mere incident, but it is one of the objects of their scheme, and, if that scheme prevails, is it not certain that depreciation will rapidly come on? By robbing you of hundreds of millions in the value of your savings, they will indeed make business "lively" for you.

CRIPPLED SOLDIERS' PENSIONS.

There are, hereabout, agitators in the fiat-money line pretending to be the particular friends of the soldiers who saved the

life of the republic in the war of the rebellion. They overflow with tenderness especially for the "wounded and crippled heroes." The pensions paid to wounded and disabled soldiers amount to nearly \$30,000,000 annually. It is a debt the American people honestly owes them, and it ought to be honestly paid. It is emphatically a debt of honor. These \$30,000,-000 annually as pensions are now as good as gold, and no patriotic man will deny that the crippled pensioner of the republic deserves a dollar as good as gold now and for all time. But if the schemes of these greenback or fiat-money patriots prevail, and paper money is made plenty and depreciates, a depreciation of ten per cent. will rob the wounded soldiers of \$3,000,-000 ; a depreciation of twenty per cent will strip them of \$6,000,000 a year of the money earned with their blood. Thus the fiat-money patriots will make business "lively" indeed for the pensioners, and I would advise the wounded and crippled soldiers to look sharp after their paper money benefactors.

WHO IS RESPONSIBLE?

Your accumulated savings, working-men, are to-day within a hair's breath as good as gold. As soon as resumption takes place they will be fully so. If the government is not mischievously interfered with in maintaining specie payments they will remain so. And now I ask you in all candor—and you would do well to ponder the question—to whom do you owe it that, when after the great business collapse of 1873 many of you were thrown out of work and many others compelled to work at reduced wages, and you had to fall back upon your

savings,—to whom do you owe it that those savings became more valuable from day to day and from month to month, until now, at last, they are as good as the best money in the world? Who was it that protected you against the wholesale robbery, by which further currency depreciation would have stripped you of the hard-earned accumulated fruit of your toil? The same men did it whom demagogues denounced to you as the tools of bloodsuckers and monopolists, because they stood up in the halls of legislation, as well as before the people, fighting for honest money that would not cheat you. What would have become of you had the counsels of those prevailed, who pretended that they could cure all the ills of the social body, and give you prosperity and wealth by flooding the country once more with that cruel deception, an irredeemable paper money? In the hour of need and distress you would not only have been without remunerative employment, but even the earnings of former years of hard toil would have shrunk to a miserable pittance. Who is there that will deny this? What mind so dull as not to understand it? And now, when you have just escaped the dangerous consequences of their teachings, you would entrust your future to the same men? Does the value of your savings lie so heavily upon your hands that you want to get rid of it? If so, then, and only then, by all means follow the lead of your greenback and fiat-money apostles, who promise to relieve you of your cares by a kind of money which in fact will relieve you of the value of your saved earnings. But, if you are the sensible men I take you to be, you will not forget that the first rule of wisdom teaches you to make sure of that which you have before grasping at shadows beyond.

Do you want your savings to be worth dollar for dollar? Then there is but one thing for you to do. Show your heels to the tempting demagogue, and put your trust only in that dollar which, being a dollar once, is sure to be a dollar all the time. Give up the cause of that dollar to-day, and you do not know what your savings will be worth to-morrow. Do you want to maintain your reputation as intelligent men? Then do not permit yourselves to be robbed of the value of your earnings with your eyes open.

Working-men, I have spoken plainly to you, without art or ornament. I have not unfolded to you philosophical theories to bewilder your understanding. Breaking through the fantastic promises of easily and quickly acquired wealth, with which the paper-money agitators strive to tickle your imagination, I have laid before you simple facts and figures, known to every observing man and intelligible to every candid mind, and from them I have drawn simple conclusions by simple reasoning. Nobody can deny that those facts are true or that these conclusions are correct. Look at them once more.

FACTS PLAINLY STATED.

A revival of business activity, which is to give employment to the industrial forces of the country, cannot be expected without a revival of that confidence which induces capital to venture freely into business enterprise. The revival of confidence is, therefore, the first condition of a general and remunerative employment of labor. Who will question this?

The prospect of specie resumption has already, in a perceptible degree, aided in reviving confidence and in encourag-

ing business activity by giving the assurance of a stability of money value. This is a fact known to every observing man. A return to the system of irredeemable paper money and a new expansion of that kind of currency would indefinitely postpone specie payments ; it would inevitably result in new and violent fluctuations of money values and new uncertainty ; it would thereby, with the experience of recent disasters before us, create intense distrust instead of confidence, frighten capital away from business enterprise, and fall like a blight upon reviving business. Who will question this ?

An inflation of our paper money, producing an inflation of prices, would inevitably injure the interests of the laborer for wages more than those of any other class of society ; for, in the very nature of things, and as universal experience shows, it would increase the cost of living far more than the rate of wages. Who will question this ?

An inflation of our paper money, bringing about its progressive depreciation, would inevitably rob the workingman of a great part of the value of his accumulated savings, while specie resumption will make and keep every dollar of those savings as good as gold. Who will question this ?

And now, in the face of these facts, which are as notorious as sunlight, and of these conclusions, which are as clear as mathematical demonstrations, can any man who depends for his living upon the remunerative employment of his labor, a workingman, who, by industry and prudent economy, endeavors to improve his own condition and that of his children, be so utterly blind to his own interests as to follow leaders insidiously advising him, if he has strength to work, to strip that labor of

its honest earnings, and if he has a dollar saved, to cheat him of its value? Are you men of self-respect? Then you will feel that those who think they can speculate upon your credulity and ignorance insult your manhood.

Look only at the grossness of the deceptions the paper-money agitators attempt to practise upon you. I cannot read their speeches and pamphlets without amazement at the audacity of their misrepresentations and falsehoods.

INFLATION FALLACIES EXPOSED.

Let me show you some of them. While on the one hand they tickle you with promises of plenty of money and "lively" business to be brought about by high prices stimulated by the depreciation of that redundant money, they try to make you believe, on the other hand, that the redundancy of that paper money will not depreciate so as to injure you. You hear them say that the value of an irredeemable paper currency does not depend upon its quantity, but upon the credit of the government issuing it. They point to the fluctuations in the value of our greenbacks during the war, which seemed at times independent of the quantity issued. Of course the value fluctuated then, as the changing fortunes of war affected the prospective solvency of the government. It is certainly true that the value of irredeemable paper money depends, among other things, upon the credit of the government. But is it not just as true that the credit of the government, as to its paper money, depends upon the quantity of that currency which is issued? You know as well as I do that some merchant may put his hand to notes amounting to \$100,000, and yet his credit remains intact,

and his notes are considered as good as cash, gilt-edged. Why is this so? Because he is generally considered good for that amount. But, let the same merchant put on the market notes beyond \$100,000, the amount he is generally considered good for, and his credit will grow worse and worse with every note he issues in excess. Has not an excessive issue of paper money just so affected the credit of every government that attempted it, in every age and in every country, in spite of the sovereign power of such government? Every well-informed man knows that it has. And now to say that the value of irredeemable paper money depends, not upon the quantity issued, but upon the credit of the government, is it not like saying that the intoxicating power of whiskey does not depend upon the quantity of alcohol in it, but upon the quantity you can safely carry, and upon the credit you have at the bar? Pardon me for using that alcoholic illustration again. The human mind, when trying to illustrate the workings of an inflated paper currency, resorts instinctively to the analogy of intoxicating drinks.

They tell you that specie payments are a very unsafe system, because sometimes panics and crises in the business world will occur, during which specie payments are suspended; and that, therefore, it is best to have no specie payments at all. Undoubtedly, such panics and crises have occurred, and they have had such temporary results. But is that a reason for *permanently* suspending specie payments, and for introducing for all time an irredeemable paper money? You might as well say: The state of health of the people of New England may, as a general thing, be tolerably good, but it is unsafe, for sometimes it is interrupted by epidemics like the cholera and smallpox,

and because it is so interrupted, and is, therefore, not safe, we had better introduce cholera and smallpox among us as a permanent institution.

EUROPEAN FINANCIAL EXPERIENCE.

They tell you, and that remark is quoted from a very prominent man in Massachusetts—especially prominent at this moment—that the strongest and foremost representative of specie payments in the world, the Bank of England, has been obliged to suspend specie payments, since the resumption in 1823, about once every ten years, thus bringing disaster upon the people; and by this statement they mean to prove that specie payments can never be maintained, even by the strongest banking organization, for any length of time. When they tell you this, they attempt to deceive you by direct falsehood. Open any textbook on the subject of finance, and you will find that the Bank of England has not suspended specie payments for a single day since the resumption in 1823. What was suspended now and then, in times of panic and extraordinary pressure, was the bank act, the suspension of which permitted the bank to issue a greater quantity of notes in proportion to its reserves. But since the resumption of specie payments, after the Napoleonic wars, no man ever presented to the Bank of England a note for redemption without receiving therefore its face in gold. While the greenback apostles object to coined money, they have no objection, it seems, to the coining of falsehoods.

They will tell you that during the terrible business depression which for the last five years has distressed this country and Europe, France alone among the great nations of Europe

maintained her prosperity, and that this was owing to the irredeemable paper currency then in use in that country. It is true that France has been, to a great extent, exempt from the general business stagnation and distress. But it is also true that during that very period France, by a sharp contraction of the paper currency, made her way back to specie payments, and that specie payments were resumed on January 1, 1878, less than seven years of the close of a disastrous war. They forget to tell you that during that time the French people, instead of foolishly crying for more paper money, resolutely devoted themselves to sturdy, well-directed industry and prudent economy, and thus weathered the storm which swept so destructively over the rest of the civilized world. They forget to tell you that it was contraction, and not inflation, which in France marked the period of so remarkable an achievement ; that of all nations in the world the French, are, perhaps, the firmest devotees of metallic money ; and that a man advising them now to undo the resumption of specie payments just achieved, and to return to irredeemable paper money, would in that country have an excellent chance quickly to be locked up in a lunatic asylum, where he would find congenial company. Certainly, if we were to take a lesson from France, every Frenchman would advise us to do that same thing with our greenback and fiat money apostles here, so as to render that species of derangement as harmless with us as it is with them.

DESPERATE DEMAGOGERY.

I have mentioned these things to show you how utterly flimsy even their most pretentious objections to the resump-

tion of specie payments are, and how easily they are exploded. When a man approaches you with such arguments, you have a right to repel them with the reply that they show less respect for your intelligence than you are entitled to. I have neither time nor desire to go through the whole list of absurdities with which a mischievous agitation seeks to befog your understandings. But I cannot refrain from warning you against an insidious attempt made by some to further the cause of paper-money inflation by exciting the hatred of the poor against the rich. To excite the hatred of the poor against the rich has, in all ages and in all countries, been the favorite resort of desperate demagogery. But in a country like ours, where no barrier of privilege separates the different classes of society, where honest individual effort is hampered neither by legal obstacles nor by prejudice or custom, where every day we see millionaires as the fathers of paupers, and merchant princes who were rocked in a poor man's cradle; where fortune and station, social and public, are equally open to the intelligence, virtue and energy of all,—in this country such appeals should meet with contemptuous ridicule as well as abhorrence. Such a cry is a blasphemous calumny on our political institutions and our social order. Within the memory of the youngest man before me you have seen a rail-splitter from Illinois and a tailor from Tennessee in the Presidential chair of this great republic. You have seen, walking in the streets of Boston, a cobbler of Massachusetts Vice-President of the United States; you see to-day a man who commenced his career as an operative in a woollen mill, the republican candidate for the governorship of this noble Commonwealth. Go over the list of your

merchants and manufacturers most envied for their prosperity, of your men most eminent in the professions, in literature and learning ; how many do you find of an origin so humble and obscure that you can scarcely trace it ! There is no working-man within the reach of my voice who knows whether one of his children will not in thirty years overtop them all in wealth or public eminence. There is no millionaire who is sure whether one of his children may not, before this waning century is out, have to black the boots of the poor man's son for a living. And in a country like this, with its resources and opportunities, where the survival of the fittest is the order of the day, where a measureless field of labor and enterprise never ceases to encourage every honorable ambition,—in such a country, we must hear appeals to the hatred of the poor against the rich ? Truly, the man who makes such appeals insults the people ; and the man who listens to them does not respect himself.

But when such appeals are made in favor of irredeemable paper money, they are a fraud of more than ordinary grossness and peculiarly significant of the source from which they come. No sensible man in America objects to the wealth acquired by righteous means. But human ingenuity can scarcely devise a contrivance which gives such enormous advantages, not to the honest business man, but to the unscrupulous speculator and gambler in the accumulation of wealth at the expense of legitimate business and labor, as a paper money with its fluctuations of value. And thus the men who, in favor of such a money system, excite the hatred of the poor against the rich, only play into the hands of those who strive to rob

and oppress the honest and the poor in order to accumulate riches by over-reaching tricks with the money that cheats. It is the natural alliance of the demagogue with the gambler.

Do not understand me as saying that in the existing social order everything is just as it ought to be ; that there are no evils to be corrected, and that no salutary reforms might be achieved by private action or legislative measures. That is undoubtedly so. Much can and will be done by a wise co-operation of the social elements. But I do say that those evils can not only not be remedied, but must be seriously aggravated, by a paper currency which oppresses labor, and which is, in every respect, calculated to make the worst among the rich richer and the poor poorer.

WHAT RESUMPTION WILL DO.

Neither do I promise you that the resumption of specie payments will bring on the millenium ; that all trouble and embarrassment will cease, and that you will gain comfort and fortune without honest effort and downright work. Those of you who wait for roast pigs with lemons in their mouths and knives and forks stuck in their backs, to come in at your front doors and ask to be eaten, will wait in vain. Whoever tells you that, under any money system, you can honorably acquire money without honorably earning it, or honorably get rid of your obligations without discharging them, let him be set down as a humbug. And, whenever anybody tries to make you believe that you can increase your earnings by introducing a dollar which loses its value over night, or that you can improve your condition by stirring up bitterness and strife between those

elements of society which must harmoniously work together for the common benefit, repel him as your worst enemy. No, even under the best money system of the world, you will have to work for what you mean to enjoy, and none will exempt you all from trouble and misfortune. And thus, as an honest man, I shall not hold out to you promises which no human contrivance can fulfil. But I do say that the restoration of sound money will revive that confidence which is necessary to set all the industrial forces of the country in motion again to give you remunerative employment ; that it will protect you against that insidious robbery with which a currency of fluctuating value strips your earnings and savings of their purchasing power ; that it will open to you a fair chance again in the struggle of life by securing to you an honest dollar as wages for honest work. That is what the restoration of sound money will accomplish for yourselves and your children. This you can powerfully aid in achieving if you are true to your own interests.

THE DUTY OF THE WORKING MAN.

And now let me offer you, in conclusion, a word of earnest advice. I have no doubt that, after calmly thinking out the problem to be solved, every intelligent workingman will be on the side of the honest dollar. The time is near when those of you who are not so now, will be ashamed of their folly. But it is not sufficient that your opinions be right ; for the welfare of all that is essential that you so act as to make your convictions tell. You have in your hand the powerful weapon of the ballot, and that weapon you are now again called upon to wield for good or evil. You have a great opportunity to exercise a tremendous

influence in shaping the destinies of this great republic. No good citizen will at such a time be without a deep sense of duty and responsibility. No prudent man, who thinks before he acts, no patriotic man, who has the common good at heart, will permit himself to be moved by the wild shouts of those who appeal to prejudice and passion. When the cry is raised that there must be a change to "shake up things," he will consider that no change will benefit him unless it be a change for the better. Somebody may advise you to change the watch-dog in your yard, and to appoint the fox to watch over your hen-roost. That will, indeed be a change, calculated to "shake up things;" but what will become of your chickens?

At this junction you, workingmen, need only open your eyes to find the right path. I have not come among you as the mere advocate of a party, but as the defender of a cause, and that cause the honor of the republic and prosperity of the people. "The party, right or wrong," has never been my battle cry, and it never will be. But at this moment, when a great decision is impending, I feel free to recommend to you a safe rule of action. Do not trust any public man or any party as your friend who does not advocate the honest dollar as wages for honest work. Those who do not, whatever other promises they may make, betray your interest in its most vital point. I am far from saying that the republican party has always treated this momentous question with the earnestness and foresight required for its prompt and complete solution. But I do say, and this is the conviction of an independent man, that the republican party is growing stronger every day in union of sentiment, in courage, determination and energy to achieve the great end, and

that to-day it is, with an administration at the head of affairs, firm in its purpose, the best, the only organized reliance you have for the fullest maintainence of the public faith and the restoration of a money system as just to the poor as it is to the rich. I do not say that there are not among the democrats many men who heartily agree with us in sentiment. Honor to them! But I do say that their party, in many of its local organizations, has betrayed its old good hard-money faith ; has formed alliance with the promoters of the most mischievous doctrines, and throws for them a vast preponderance of its influence and power. Between the two the workingmen of America should at this decisive moment be, of all men, the very last to hesitate in their election. The triumph of honest money will not be a mere party triumph ; it will be the victory of your own true interests over a power of evil which, notwithstanding all its artful blandishments, threatens to despoil and degrade you.

ADVICE FOR THE FUTURE.

One word more. Your duty will not be ended when, on the fifth of November, you have cast your vote. The system of specie payments once inaugurated, as it will be on the first of January unless prevented by legislative interference, a policy of wisdom and firmness will be required to maintain it. When preparatory steps for the resumption of specie payments were to be taken, it was the apprehension of adverse currents of popular sentiment which staggered the resolution of not a few of our public men. From you whose vital interests are at stake, should now proceed an inspiration to their courage and firmness to complete the great work and to secure its success. Let the

legislators of the country know that the workingmen of America insist upon an honest dollar for honest work, and that, desiring that end, they desire the employment of all the means necessary for its accomplishment. The question of sound money—mark what I say—is one of those which admit of

NO COMPROMISE.

If you want confidence and a revival of business you must not begin by overthrowing a safe banking system which serves as a universally trusted depository for business funds and a machinery of business exchanges. If you desire the resumption of specie payments you must not substitute greenbacks for the national bank currency, and thus put upon the government a load of paper money beyond its capacity of redemption. If you want gold to circulate you must not keep the volume of paper money beyond the requirements of the business of the country, for the excess of that paper money presenting itself again and again for redemption will drain the Treasury of its reserves and drive gold into our foreign commerce. If you want to guard the business of the country from disturbance by fluctuations of relative value between gold and silver, and if you desire gold to remain a part of your circulating medium at all, you must limit the coinage of silver to that quantity which can be absorbed by the retail trade, and accordingly fix its legal tender character. If you want health you must not admit a dash of yellow fever. These truths are clear already to the minds of most thinking men ; and I doubt not they will become clear to the minds of all. It is your manifest interest that they be well remembered in the settlement of our financial problem.

It is your duty not to permit the legislators of the country to forget them.

IMPORTANCE OF THE PRESENT CONTEST.

Citizens of Massachusetts, the contest now in progress in your State is watched by the whole American people with uncommon attention. You are proud of the historic past of your Commonwealth, and justly so. Whenever the republic was in danger, Massachusetts was among the foremost of its defenders. Whenever human rights needed an advocate, the voice of Massachusetts resounded through the land. Whenever the cause of education, enlightenment, progress and virtue wanted a champion, Massachusetts pressed to the front. Everywhere within the vast bounderies of this great republic Massachusetts has planted colonies of her intelligence and learning. Whatever there can be in the past achievements to inspire a noble ambition, your State possesses it all. No people can have better reason to respect themselves than the people of this Commonwealth. Not one of her citizens should ever for a moment forget what is due to her great name. And now, when so much is at stake, and the nation hopes once more to hear the voice of Massachusetts for the maintainance of the public honor, and measures of paramount necessity for the common welfare, let not that hope be in vain !

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